



# ANNUAL BUDGET 2023/24





## Our Vision

Collaborating for a regional Circular Economy

## Our Mission

To deliver sustainable waste management options for members

## Acknowledgement of Country

The Mindarie Regional Council acknowledges the Traditional Custodians of the land we are working on, the Whadjuk people. We would like to pay respect to the Elders of the Noongar nation, past, present and future, who have walked and cared for the land. We acknowledge and respect their continuing culture and the contributions made to the life of this region.





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## The Mindarie Regional Council

The Mindarie Regional Council (MRC) is a regional local government which was constituted under the Local Government Act 1960 (LG Act 1960), in 1987.

In 1981, the Cities of Perth and Stirling and the Shire of Wanneroo jointly acquired 432 hectares of land at Lot 17 Marmion Avenue, Mindarie as a suitable future site for the development of a landfill for the disposal of the region's waste materials.

The MRC was established as the vehicle which would manage the disposal of those member councils' waste materials, and approval for the development of a landfill and associated infrastructure on 251 hectares of the land bought previously was received from the Environmental Protection Authority in 1990.

That 251 hectares within Lot 17 and fronting Marmion Avenue became the subject of a lease to the MRC at that time, with the owners retaining possession of the balance of the land. The leased area was entitled "Tamala Park" and developed as a landfill, which first received waste from the City of Perth and Shire of Wanneroo in 1991.

Since that time the Towns of Cambridge, Victoria Park and Vincent (formed through a restructure of the City of Perth in 1996) commenced disposal at site, and the Cities of Stirling and Joondalup commenced disposal in 1999.

*Any reference to member council means a constituent municipality whose district is included in the regional district of the MRC*



City of Wanneroo

City of Joondalup

City of Stirling

Town of Cambridge

City of Vincent

City of Perth

Town of Victoria Park

## MRC Councillor Details



### **Cr Karen Vernon (Chairperson), Town of Victoria Park**

Councillor Karen Vernon was elected as a councillor for the Town of Victoria Park in 2017, and elected Mayor in 2019, adding public sector governance to existing professional skills, and expanding the passion for a good cause into a wider framework. A Senior Barrister with more than 25 years' experience working in the legal profession, including as a law firm partner and government prosecutor before specialising as a barrister since 2005. Extensive corporate governance experience with more than 10 years as a Company Director and Board Member in the private and not for profit sectors. Skilled in policy, strategic planning and risk management. Graduate of the Australian Institute of Company Directors, and Fellow of the Governance Institute of Australia.



### **Cr Paul Miles, City of Wanneroo**

Councillor Paul Miles was first elected to the Council in 2007. Then in 2008, Paul was elected as a State Member of Parliament for the electorate of Wanneroo. In 2016, Paul was appointed Minister for Local Government; Communities; Youth; Seniors; Volunteering and Cemeteries. Following his time as Wanneroo MLA and Minister for Western Australia, Paul was re-elected to Council in October 2017.



### **Cr Frank Cvitan, City of Wanneroo**

Councillor Frank Cvitan was elected to the City of Wanneroo Council in 1999 and remained a Councillor until 2009. After a gap of 2 years, he was re-elected in 2011. A resident of the City for more than 5 decades, Cr Cvitan is committed to ensuring that development across the City is underpinned by proper and orderly planning. East Wanneroo is of particular interest in this regard, where he has been working to ensure the sustainability of the area's wetlands (alongside development planning), since 2005.



### **Cr Christopher May, City of Joondalup**

Councillor Christopher May was elected as councillor for the City of Joondalup in 2021, Chris has a proven track record backing his community - delivering real, positive outcomes locally. A finance professional, he identifies and eliminates wasteful expenditure. A lifetime local who serves on school boards in Kallaroo and Craigie, volunteers in Yellagonga Regional Park and employed in commercial banking.



### **Cr Albert Jacob JP (Deputy Chairperson), City of Joondalup**

Councillor Albert Jacob was elected as Mayor for the City of Joondalup in 2017 having previously served the City of Joondalup for 3 years in the North Central Ward. He was the member for the Western Australian Legislative Assembly seat of Ocean Reef from 2008 to 2017, and the Minister for the Environment and Heritage in Colin Barnett's government.



### **Cr Liam Gobbert, City of Perth**

Councillor Liam Gobbert was elected for the City of Perth in 2020, he has over 10 years local government experience. He was a councillor for the City of Joondalup for 8 years including a year as deputy mayor. A project support officer at the Public Transport Authority, a Justice of the Peace, and a qualified town planner.



### **Cr Keri Shannon, Town of Cambridge**

Councillor Keri Shannon was elected as Mayor for the Town of Cambridge in 2015. She has lived in the Town of Cambridge for 16 years. Keri brings both public and private sector experience to the Council having worked as a lawyer for over 20 years, firstly in litigation and, for the past 10 years, as a legal counsel for mining and other service companies. She has a commerce degree majoring in Finance and Accounting, and a company secretary qualification with the Institute of Governance Australia. She is a graduate member of the Australian Institute of Company Directors and has served on the ethics committee at Sir Charles Gairdner Hospital and as a volunteer for St Vincent de Paul and community legal centres. Mayor Shannon believes that Local Government serves a unique role in residents' lives and wants to ensure that the amenity and liveability of the Town's suburbs is enhanced



### **Cr Alex Castle, Town of Vincent**

Councillor Alex Castle was elected as Councillor for Town of Vincent in 2017. Alex is a small-business owner and long-term resident of Mt Hawthorn and has been actively involved in the Mt Hawthorn Primary School P&C and Board for many years, where her 2 daughters have attended. She was also on the committee of the Mt Hawthorn Hub for 3 years, and is keen to continue to support Vincent's unique town centres, public open spaces and wonderful lifestyle.



### **Cr Elizabeth Re, City of Stirling**

Councillor Elizabeth Re was elected as councillor for the City of Stirling in 2005, Elizabeth was born in Mount Lawley and has loved living in Woodlands for most of her life. Elizabeth has worked for over 30 years for state and local governments in sustainability, environmental and public health. She was given the honour of being made Fellow of Environmental Health Australia for her services in the field of environmental public health and promotion of women in the workforce.



### **Cr Joe Ferrante, City of Stirling**

Councillor Joe Ferrante was elected as councillor for the city of Stirling in 2011, he has lived in the City of Stirling for over 50 years, growing up in Tuart Hill and its surrounding suburbs. Over the last 14 years, Cr Ferrante and his family have been residents of Mount Lawley and Menora. Cr Ferrante works with a global logistics provider as a national sales executive managing international companies. Cr Ferrante has particular interests in community safety, heritage protection and preservation of green open spaces.



### **Cr Chris Hatton, City of Stirling**

Councillor Chris Hatton was elected as councillor for the City of Stirling in 2019, Chris and his family have lived in Stirling for over 30 years, in the Hamersley Ward. He has a strong belief in keeping suburbs safe, vibrant and family friendly. Chris is a local school teacher and a Board Member of Balcatta Senior High School. He is also a former State Member of Parliament and a former Board Member of the Constable Care Child Safety Foundation. Chris believes in working for community and ensuring that Council spends wisely on essential services and infrastructure.



### **Cr Lisa Thornton, City of Stirling**

Councillor Lisa Thornton was elected as councillor for the City of Stirling in 2019, Lisa was born in Mount Lawley, with her family making Western Australia home for eight generations - first arriving on the ship Marquis of Anglesea. A long-term Stirling resident working as a Science educator, Lisa is an active member of the community. Through working in the fields of genetics and the minerals and resources sector has seen Lisa engaged in industry and academia.



## Certificate of Annual Budget 2023/24

This is to certify that the Annual Budget of the Mindarie Regional Council for the financial year ended 30 June 2024 was adopted at the Ordinary Council Meeting held on 13 July 2023.

This is a copy of the Annual Budget and associated schedules adopted by the Council.

A handwritten signature in black ink, appearing to read "Paul Smith", is written over a horizontal line.

Mindarie Regional Council - Chairperson

**Scott Cairns**  
Chief Executive Officer



# ANNUAL BUDGET INTRODUCTION

The 2023/24 Annual Budget has been prepared in accordance with the requirements of the Local Government Act 1995 and Financial Management Regulations 1996.

The Annual budget is guided by the Strategic Community Plan (SCP). The revised SCP 2022 – 2032 was adopted by MRC’s Council in April 2023. The Plan has been instrumental in guiding the activities of the MRC both at the strategic and operational levels.

The Long Term Financial Plan (LTFP), Asset Management Plan and Workforce Plan inform the SCP, Corporate Business Plan (CBP) and Annual budget, with outcomes contained in the Annual Report. This budget has been influenced by the MRC’s LTFP and CBP. This budget reflects the first year of the LTFP.

The MRC is one of the State’s largest waste management authorities, delivering high quality waste management services to its members; the Cities of Joondalup, Perth, Stirling, Vincent and Wanneroo, and the Towns of Cambridge and Victoria Park; a combined population of more than 700,000 West Australians.

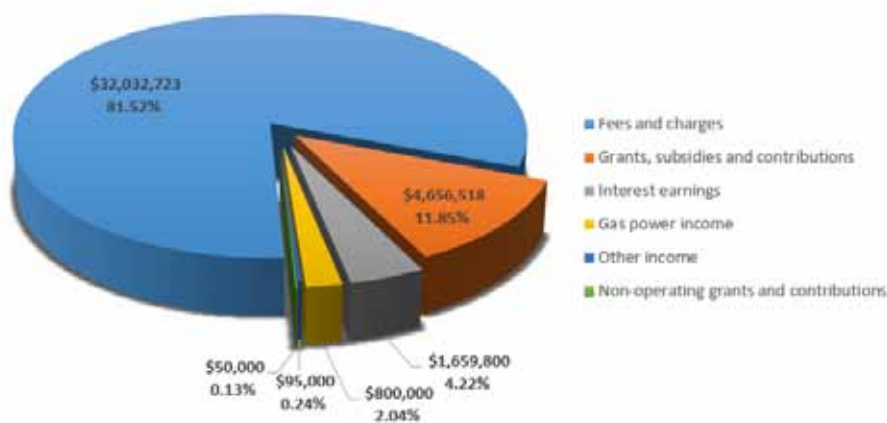
## Operating Budgets

The development of the 2023/24 Annual Budget plays an important role in positioning our finances for a sustainable future. The MRC has carefully considered the resource and funding requirements necessary to deliver ongoing services, statutory and governance activities and assets renewal program.

The Operating Budgets are presented in two different formats: by nature and type in the Statutory section of this document (page 11) and by program as a Note 10. Overall, in terms of the Statement of Comprehensive Income, the Annual Budget 2023/24 includes Operating Revenue of \$39.2m and Operating Expenses \$37.5m. Following the inclusion of non-ordinary revenue \$50k and profit/loss on sale \$350k this will see a Net trading result of \$1.45m.

## Revenue

Of the total Operating revenue 85.74% comes from the fees and charges and interest, 2.28% from other revenue and 11.85% from Member contribution to cover administration and governance costs. The MRC is also anticipating receiving \$50k in non-operating grant for capital work.

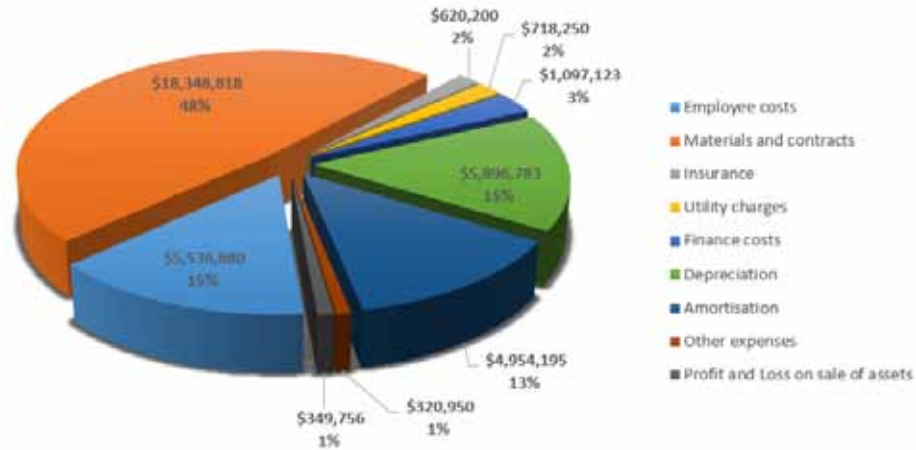




## Expenses

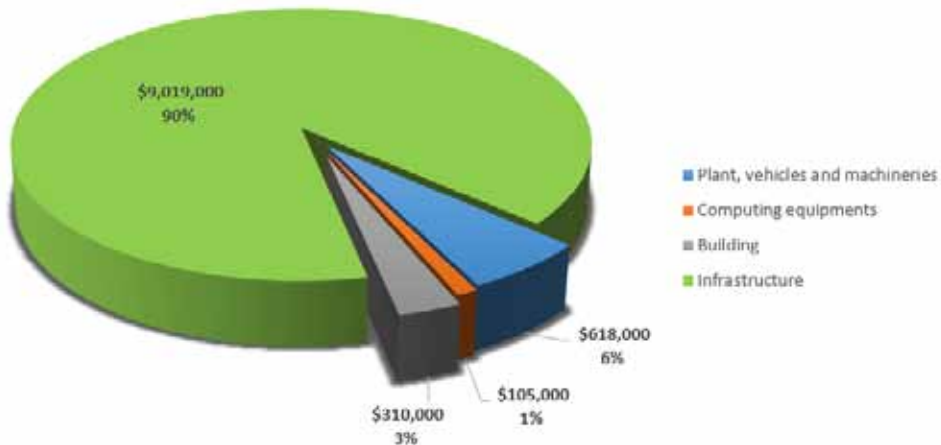
The MRC's ordinary budgeted expenditure for 2023/24 is \$37.5m, of which \$18.3m is materials and contracts, \$5.9m represents depreciation on assets and \$5.5m employee costs. Expenditure by nature and type are detailed in the statement of comprehensive income (page 11).

The financial assumptions anticipate movements in both the consumer price index, wages growth and interest rates. Any unplanned changes in any of these parameters and the general economic environment are likely to have an impact on the proposed budget.



## Capital Outlays

The Capital Works Summary Statement (pages 22 to 23) gives an overview of the Capital and Infrastructure program planned for the year. The total Capital Works program for 2023/24 is \$10.05m. This program includes building works of \$310k, infrastructure including landfill works of \$9.02m, plant and equipment of \$618k and computing \$105k. Included in the amounts is carry forward of \$7.1m.



## **Reserve Accounts**

The term 'Restricted Funds' generally applies to cash amounts received by Council on the basis that they are for specific purposes for which the Reserves have been established. The Annual Budget 2023/24 reserves balance budget is estimated at \$21.4m with \$1.2m transfer from Capital reserve to fund capital works. Details of the reserve accounts are contained in Note 8 (page 27).

## **Statutory Financial Statements**

The 2023/24 Annual Budget has been prepared in accordance with the requirements of the Australian Accounting Standards, the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996.

### **Statement of Comprehensive Income (page 11)**

The Statement of Comprehensive Income by Nature or Type is prepared on accrual basis, it is a statutory document and is a requirement of the Local Government (Financial Management) Regulations 1996. This statement details operating revenue and expenses from ordinary activities including non-cash items such as depreciation and financing costs plus capital grants and profit/loss on disposal of assets.

### **Statement of Financial Position (Balance Sheet) (page 12)**

The purpose of the Statement of Financial Position is to provide a "snap-shot" of the overall financial position of the MRC. This statement is constructed according to well defined accounting principles which are embodied in AASB. The statement discloses transactions as current and non-current assets, current and non-current liability and equity.

### **Statement of Cash Flows (page 13)**

The Statement of Cash Flows is required under the Local Government (Financial Management) Regulations 1996 and it reports budgeted cash receipts from operations and alternative sources including government grants and investments. It also reports budgeted cash outflows from general business activities including the payment of creditors and anticipated capital acquisitions.

## **Budget Notes**

The Budget Notes provide additional information than what is required by the Local Government (Financial Management) Regulations 1996 to enable the reader to better understand the Budget.

STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE	Note	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>REVENUE</b>				
Fees and charges	12	32,032,723	32,727,003	30,914,275
Grants, subsidies and contributions	10	4,656,518	4,219,742	4,219,742
Interest earnings	11	1,659,800	1,298,540	212,000
Gas power income	11	800,000	798,695	750,000
Other income	11	95,000	124,267	111,016
<b>Total revenue</b>		<b>39,244,041</b>	<b>39,168,247</b>	<b>36,207,033</b>
<b>EXPENSES</b>				
Employee costs		(5,536,680)	(4,789,456)	(4,443,735)
Materials and contracts		(18,348,818)	(19,205,530)	(18,094,720)
RRF expenses				
Insurance		(620,200)	(986,091)	(1,529,375)
Utility charges		(718,250)	(826,218)	(738,250)
Finance costs	11(d)	(1,097,123)	(1,119,432)	(923,907)
Depreciation	4	(5,896,783)	(4,619,136)	(6,022,764)
Amortisation	4	(4,954,195)	(5,132,080)	(4,937,865)
Other expenses		(320,950)	(375,089)	(356,663)
<b>Total expense</b>		<b>(37,492,999)</b>	<b>(37,053,032)</b>	<b>(37,047,279)</b>
<b>Ordinary activities</b>		<b>1,751,042</b>	<b>2,115,215</b>	<b>(840,246)</b>
<b>Non-ordinary activities</b>				
Non-operating grants and contributions	10(b)	50,000	-	-
		50,000	-	-
Profit on asset disposals	3(c)	1,000	-	-
Loss on asset disposals	3(c)	(350,756)	-	-
		<b>(349,756)</b>	-	-
<b>NET RESULT</b>		<b>1,451,286</b>	<b>2,115,215</b>	<b>(840,246)</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
Items that will not be reclassified subsequently to profit or loss				
Changes in asset revaluation		-	-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>1,451,286</b>	<b>2,115,215</b>	<b>(840,246)</b>

*This statement is to be read in conjunction with the accompanying notes.*

STATEMENT OF FINANCIAL POSITION	Notes	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	2	17,255,130	15,423,422	11,286,082
Cash on hand		3,000	3,000	3,000
Other financial assets		44,001,119	41,685,215	34,417,416
Trade and other receivables		4,990,296	5,318,584	3,262,898
Inventories		22,041	22,041	19,934
Other assets		158,773	158,773	174,313
<b>Total current assets</b>		<b>66,430,359</b>	<b>62,611,035</b>	<b>49,163,643</b>
<b>NON-CURRENT ASSETS</b>				
Property, plant & equipment		29,585,019	31,608,408	86,189,918
Infrastructure		38,693,979	41,895,988	12,914,041
Excavation works		2,208,935	5,432,025	13,498,787
Rehabilitation asset		8,272,815	1,166,920	4,242,387
Right of use assets		5,726,085	6,108,226	5,942,389
<b>Total non-current assets</b>		<b>84,486,833</b>	<b>86,211,567</b>	<b>122,787,522</b>
<b>TOTAL ASSETS</b>		<b>150,917,192</b>	<b>148,822,602</b>	<b>171,951,165</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables		4,395,376	4,395,376	4,805,589
Lease Liabilities	6	509,500	559,266	383,098
Provisions		1,236,434	892,067	1,241,043
<b>Total current liabilities</b>		<b>6,141,310</b>	<b>5,846,709</b>	<b>6,429,730</b>
<b>NON-CURRENT LIABILITIES</b>				
Lease Liabilities		5,388,012	5,897,512	6,456,778
Provisions		263,148	173,780	213,577
Rehabilitation provision		19,367,403	18,598,568	23,865,788
<b>Total non-current liabilities</b>		<b>25,018,563</b>	<b>24,669,860</b>	<b>30,536,143</b>
<b>TOTAL LIABILITIES</b>		<b>31,159,873</b>	<b>30,516,569</b>	<b>36,965,873</b>
<b>NET ASSETS</b>		<b>119,757,319</b>	<b>118,306,033</b>	<b>134,519,692</b>
<b>EQUITY</b>				
Retained surplus		(35,359,990)	(33,561,993)	10,765,444
Reserves	8	21,412,801	19,378,518	11,042,928
Revaluation surplus		44,618,782	43,403,782	23,625,594
Council contribution		89,085,726	89,085,726	89,085,726
<b>TOTAL EQUITY</b>		<b>119,757,319</b>	<b>118,306,033</b>	<b>134,519,692</b>

This statement is to be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS	Note	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Fees and charges		32,032,723	32,727,003	30,768,890
Grants, subsidies and contributions		4,656,518	4,219,742	4,219,742
Interest earnings		1,659,800	1,298,540	212,000
Gas power income		800,000	798,695	750,000
Other income		95,000	124,267	256,401
		39,244,041	39,168,247	36,207,033
<b>Payments</b>				
Employee costs		(5,102,945)	(4,789,456)	(4,047,477)
Materials and contracts		(18,348,818)	(19,205,530)	(4,631,460)
Insurance		(620,200)	(986,091)	(1,529,375)
Utility charges		(718,250)	(826,218)	(738,250)
Other expenses		(320,950)	(375,089)	(13,845,923)
		(25,111,163)	(26,182,384)	(24,792,485)
<b>Net cash provided by (used in) operating activities</b>	2	14,132,878	12,985,863	11,414,548
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Non-operating grants and contributions		50,000	-	-
Payments for purchase of property, plant & equipment	3(b)	(1,033,000)	(1,712,377)	(195,000)
Payments for construction of infrastructure	3(b)	(9,019,000)	(201,613)	(7,145,062)
Investment in term deposits		(2,315,904)	-	-
Proceeds from sale of property, plant & equipment	3(c)	576,000	67,198	-
<b>Net cash provided by (used in) investment activities</b>		(11,741,904)	(1,846,792)	(7,340,062)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Payments for principal portion of lease liabilities	6	(559,266)	(383,098)	(383,098)
<b>Net cash provided by (used In) financing activities</b>		(559,266)	(383,098)	-
<b>Increase (decrease) in cash held</b>		1,881,474	10,579,805	4,074,485
<b>Cash and cash equivalents at beginning of the year</b>		15,250,254	4,670,449	7,214,596
<b>Cash and cash equivalents at the end of the year</b>	2	<b>17,258,130</b>	<b>15,426,422</b>	<b>11,289,082</b>

This statement is to be read in conjunction with the accompanying notes.

## NOTES TO AND FORMING PART OF THE BUDGET

*For the year ended 30 June 2024*

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## **1 (a) BASIS OF PREPARATION**

The annual budget has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the Local Government Act 1995 and accompanying regulations.

The Local Government Act 1995 and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The Local Government (Financial Management) Regulations 1996 specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the MRC to measure any vested improvements at zero cost. Accounting policies which have been adopted in the preparation of this annual budget have been consistently applied unless stated otherwise. Except for cash is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities. Financial reporting disclosures in relation to assets and liabilities required by the Australian Accounting Standards have not been made unless considered important for the understanding of the budget or required by legislation.

### **The local government reporting entity**

All funds through which the MRC controls resources to carry on its functions have been included in the financial statements forming part of this annual budget. In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears in the notes to the annual budget.

### **2022/23 actual balances**

Balances shown in this budget as 2022/23 Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in the budget relate to the original budget estimate for the relevant item of disclosure.

### **Comparative figures**

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

### **Rounding off figures**

All figures shown in this statement are rounded to the nearest dollar.

Initial application of accounting standards

During the budget year, the below revised Australian Accounting Standards and Interpretations are expected to be compiled, become mandatory and be applicable to its operations.

- AASB 2021-2 Amendments to Australian Accounting -Disclosure of Accounting Policies or Definition of Accounting Estimates
- AASB 2021-6 Amendments to Australian Accounting Standards - Standards - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards

## **1 (a) BASIS OF PREPARATION cont**

### **New accounting standards for application in future years**

The following new accounting standards will have application to local government in future years:

- AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2021-7c Amendments to Australian Accounting Standards Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants
- AASB 2022-10 Amendments to Australian Accounting Standards

Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

It is not expected these standards will have an impact on the annual budget.

### **Judgements, estimates and assumptions**

The preparation of the annual budget in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- estimation of fair values of land and buildings and investment property
- impairment of financial assets
- estimation uncertainties and judgements made in relation to lease accounting
- estimated useful life of assets

## **1 (b) KEY TERMS AND DEFINITIONS - NATURE OR TYPE**

### **REVENUES**

#### **Fees and Charges**

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

#### **Services Charges**

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995 . Regulation 54 of the Local Government (Financial Management) Regulations 1996 identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services.

Excludes rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.



## **1 (b) KEY TERMS AND DEFINITIONS - NATURE OR TYPE cont.**

### **Profit on Asset Disposal**

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

### **Operating Grants, Subsidies and Contributions**

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

### **Non-Operating Grants, Subsidies and Contributions**

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

### **Interest Earnings**

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

### **Other Revenue / Income**

Other revenue, which cannot be classified under the above headings, includes dividends, discounts, and rebates. Reimbursements and recoveries should be separated by note to ensure the correct calculation of ratios.

## **EXPENSES**

### **Employee Costs**

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences safety expenses, medical examinations, fringe benefit tax, etc.

### **Material and Contracts**

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, DFES levy, consultancy, information technology, rental or lease expenditures.

### **Utilities (Gas, Electricity, Water etc)**

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

### **Insurance**

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

### **Loss on Asset Disposal**

Loss on the disposal of fixed assets includes loss on disposal of long term investments.

### **Depreciation on Non-Current Assets**

Depreciation and amortisation expense raised on all classes of assets.

## **1 (c) KEY TERMS AND DEFINITIONS cont.**

### **Interest Expenses**

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

### **Landfill Levy**

Department of Water and Environmental Regulation (DWER) levy for landfill waste disposal at licenced Tamala Park Landfill site.

### **Other Expenditure**

Statutory fees, taxes, provision for bad debts, member's fees, or State taxes. Donations and subsidies made to community groups.

### **Current and Non-Current Classifications**

An asset or liability is classified as current if it is expected to be settled within the next 12 months, being the MRC's operational cycle. In the case of liabilities where the MRC does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the MRC's intentions to release for sale.

### **Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the MRC prior to the end of the financial year that are unpaid and arise when the MRC becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

### **Inventories**

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### **Superannuation**

The MRC contributes to a number of superannuation funds on behalf of employees. All funds to which the MRC contributes are defined contribution plans.

In addition to Superannuation Guarantee statutory requirements, the MRC encourages employees to participate in the Local Government Superannuation Scheme. The MRC matches contributions made by employees to these nominated superannuation funds on a sliding scale up to a limit of 7%.

### **Landfill Cell**

There are three general components of landfill cell construction

- a) Cell excavation and development
- b) Cell liner costs, and
- c) Cell capping costs

All cell excavation and development costs, cell liner costs and cell capping costs are capitalised and depreciated over the useful life of the cell, based on the volumetric consumption of the air space in the cell. Once a cell has been capped and is no longer available for use, the costs associated with the cell are written off.

## **1 (c) KEY TERMS AND DEFINITIONS cont.**

### **Future Capping Expenditure**

The liability for estimated future capping expenditure is provided for through a rehabilitation provision on a phase-by-phase basis and is discounted to its present value, with the unwinding of the discount being charged to the statement of comprehensive income within the finance charge. The discounted present value of the future capping expenditure is also capitalised as part of the rehabilitation asset and is amortised on a straight-line basis. Changes in estimates are recognised prospectively with corresponding adjustments to the provision and associated costs.

### **Trade and Other Receivables**

Trade and other receivables include amounts due from Member Councils for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Trade receivables are held with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

The MRC applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

### **Provisions**

Provisions are recognised when the MRC has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

### **Provisions for restoration, rehabilitation, and site monitoring costs**

Charges are made to expenses based on the estimated costs of restoring, rehabilitating and monitoring the Tamala Park Waste Disposal Facility. The nature of work planned by Council includes monitoring of groundwater, surface water, leachate, landfill gas generation and revegetation. The rate charge is reviewed annually and is based on an estimated cost per tonne. The cost per tonne is arrived at after taking into account a standard engineering cost per cubic metre of landfill, the density of the waste and the most recent aerial surveys. Engineering rates differ according to the nature of the obligation to provide the service.

## **1 (d) KEY TERMS AND DEFINITIONS**

### **Land Held for Resale**

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point. Land held for resale is classified as current except where it is held as non-current based on the MRC's intentions to release for sale.

### **Good and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

## **EMPLOYEE BENEFITS**

### **Short-term employee benefits**

Provision is made for the MRC's obligations for short-term employee benefits. Short term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The MRC's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The MRC's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

### **Long-term employee benefits**

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The MRC's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the MRC does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

## 2. CASH AND CASH EQUIVALENTS

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

CASH AND CASH EQUIVALENTS	Note	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
Cash at bank		17,255,130	15,423,422	11,286,082
Cash on hand		3,000	3,000	3,000
Term deposits		44,001,119	41,685,215	34,417,416
<b>Total cash and cash equivalents</b>		<b>61,259,249</b>	<b>57,111,637</b>	<b>45,706,498</b>
Held as				
- Unrestricted cash and cash equivalents		39,846,448	37,733,119	34,663,570
- Restricted cash and cash equivalents		21,412,801	19,378,518	11,042,928
		61,259,249	57,111,637	45,706,498
<b>Restrictions</b>				
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
<b>Financially backed reserves:</b>	8			
Reserves - Site Rehabilitation	8(a)	18,479,966	17,056,651	9,851,240
Reserves - Capital Expenditure	8(b)	2,421,759	1,830,791	700,612
Reserves - Carbon Abatement	8(c)	511,076	491,076	491,076
		21,412,801	19,378,518	11,042,928
Reconciliation of net cash provided by operating activities to net result				
<b>Net result</b>		<b>1,451,286</b>	<b>2,115,215</b>	<b>(840,246)</b>
Depreciation	4	5,896,783	4,619,136	6,022,764
Amortisation	4	4,954,195	5,132,080	4,937,865
(Profit)/loss on sale of asset	5(c)	349,756	-	-
(Increase)/decrease in receivables		328,288	421,346	-
Increase/(decrease) in other provision		768,835	-	596,079
(Increase)/decrease in other current assets		-	327,828	327,828
(Increase)/decrease in inventories		-	-	-
Increase/(decrease) in employee provisions		383,735	370,258	370,258
Increase/(decrease) in payables		-	-	-
<b>Net cash from operating activities</b>		<b>14,132,878</b>	<b>12,985,863</b>	<b>11,414,547</b>

### SIGNIFICANT ACCOUNTING POLICIES

**CASH AND CASH EQUIVALENTS:** Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdraft.

**FINANCIAL ASSETS AT AMORTISED COST:** The MRC classifies financial assets at amortised cost if both of the following criteria are met:  
a) the asset is held within a business model whose objective is to collect the contractual cashflows, and  
b) the contractual terms give rise to cash flows that are solely payments of principal and interest.

**3(a.) FIXED ASSETS**

SUMMARY OF CAPITAL EXPENDITURE	2024 Budget (\$)
<b>New Capital Expenditure</b>	
Plant, vehicles and machineries	618,000
Computing equipments	105,000
Building	160,000
Infrastructure	2,032,000
	2,915,000
<b>Carry forward items from 2022/23</b>	
Building	150,000
Landfill infrastructure	6,987,000
	7,137,000
<b>Total Capital Expenditure</b>	<b>10,052,000</b>



### 3(b). FIXED ASSETS (CONTINUED)

The following assets are budgeted to be acquired during the year.

ASSET ACQUISITIONS	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>LANDFILL INFRASTRUCTURE</b>			
Stage 2 - Phase 2 capping work	6,987,000	-	6,987,000
Leachate Processing Infrastructure	1,850,000	-	-
Leachate pumps x 6 (western edge stage 2 and phase 3)	-	20,000	20,000
	8,837,000	20,000	7,007,000
<b>INFRASTRUCTURE TAMALA PARK</b>			
Transfer station extension (from alternative wt options)	14,000	-	-
Facility Signage Upgrade at Transfer Station	18,000	-	-
Transfer Station Line Marking	15,500	-	-
Drop off bays modification and reticulation at Transfer Station	16,000	-	-
12AMP power supply installation to Green Waste bunker	25,000	-	-
Transfer Station chain drop Access Control unit	55,000	-	-
Monitoring bores - Marmion Avenue x4	10,000	-	-
Environmental drilling (g/w 1 nest 18K and gas well 5)	-	36,000	36,000
Monitoring Bores x2	28,500	-	-
	182,000	36,000	36,000
<b>BUILDING</b>			
Workshop building roller doors and road upgrade for tyre	25,000	-	-
Recycling E-Waste Storage and Bulk Up Facility	135,000	-	-
Weighbridge roof modification	150,000	-	150,000
	310,000	-	150,000
<b>COMPUTING</b>			
TP server replacement	-	45,000	45,000
CCTV install for Tip Face, Quarry and Transfer	85,000	-	-
Replacement Laptop Computers	20,000	-	-
	105,000	45,000	45,000
<b>EQUIPMENT</b>			
Odour monitoring units / control	70,000	-	-
Point to point Telemetry & Data System Installation	16,500	21,262	21,262
Two Air Well Leachate Extraction Pumps for Stage 2	8,500	-	-
Workshop Hotwash Machine	8,000	-	-
Generator & Compressor	15,000	80,800	80,800
	118,000	102,062	102,062
<b>PLANT AND VEHICLES</b>			
Hyundai Palisade 7S Elite	80,000	-	-
KUBOTA SVL75-2CW TRACK LOADER - Skid steer	175,000	-	-
16t Vibrating Roller at Tip face	245,000	-	-
	500,000	-	-
	<b>10,052,000</b>	<b>203,062</b>	<b>7,340,062</b>

#### SIGNIFICANT ACCOUNTING POLICIES

##### RECOGNITION OF ASSETS

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately. Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

### 3(c).FIXED ASSETS (CONTINUED)

The following assets are budgeted to be disposed of during the year.

DISPOSALS OF ASSETS	2024 Budget Net Book Value (\$)	2024 Budget Sale Proceeds (\$)	2024 Budget Profit (\$)	2024 Budget Loss (\$)
<b>PROPERTY, PLANT AND EQUIPMENT</b>				
Plant 140 - Hyundai Palisade	45,384	45,000	-	(384)
Plant 138 - Kubota SSL (Skid Steer)	56,788	30,000	-	(26,788)
Plant 139 - Caterpillar Compactor	823,584	500,000	-	(323,584)
Plant 77 - Kubota (Ride on Lawn Mower)	-	1,000	1,000	-
	<b>925,756</b>	<b>576,000</b>	<b>1,000</b>	<b>(350,756)</b>

#### SIGNIFICANT ACCOUNTING POLICIES

**GAINS AND LOSSES ON DISPOSAL:** Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.

### 4. DEPRECIATION

DEPRECIATION BY CLASS	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>Depreciation</b>			
Plant and equipment	397,048	339,661	3,362,483
Buildings	1,733,585	1,526,422	1,702,338
Infrastructure	3,384,009	2,384,339	575,497
Right of use asset	382,141	368,714	382,446
	<b>5,896,783</b>	<b>4,619,136</b>	<b>6,022,764</b>
<b>Amortisation</b>			
Cell Development	3,223,090	3,400,975	3,206,760
Decommissioning asset	1,731,105	1,731,105	1,731,105
	<b>4,954,195</b>	<b>5,132,080</b>	<b>4,937,865</b>
	<b>10,850,978</b>	<b>9,751,216</b>	<b>10,960,629</b>

#### SIGNIFICANT ACCOUNTING POLICIES

##### DEPRECIATION

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

##### AMORTISATION

The depreciable amount of all intangible assets with a finite useful life, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held for use. The assets residual value of intangible assets is considered to be zero and useful life and amortisation method are reviewed at the end of each financial year. Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income.

Asset Class	Useful life
Resource Recovery Facility	12 years
Buildings	20 years
Plant, Vehicles and Site Equipments	6.75 years
Office Furniture and Equipment	5 years
Computing Equipment (excluding servers)	3 years
Infrastructure (Roads, landscaping, fences, walls/security lighting)	20 years
Excavation	% of actual usage
Rehabilitation	Useful life
Resource Recovery Facility Establishment	1 year
Right of use asset	Remaining lease term



## 5. INFORMATION ON BORROWINGS

(a) The MRC has not budgeted to have any borrowings for the year 2023/24 and did not have any budget in the year 2022/23.

	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>(b) Credit Facilities</b>			
<b>Undrawn borrowing facilities Credit standby arrangements</b>			
Credit card limit	100,000	50,000	50,000
Amount of credit unused	100,000	50,000	50,000

### SIGNIFICANT ACCOUNTING POLICIES

#### BORROWING COSTS

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

## 6. LEASE LIABILITIES

	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
Lease principal at 1 July	6,456,778	6,839,876	6,839,876
New leases	-	-	-
Lease principal/interest repayments	(559,266)	(383,098)	(383,098)
Lease interest repayments	(328,288)	(328,288)	(327,828)
	<b>(887,554)</b>	<b>(711,386)</b>	<b>(710,926)</b>

The following leases are budgeted.

Leased items	Start date	End date
Tamala Park Landfill Site (1,517,641 square meters)	7/1/1990	30/6/2032

### SIGNIFICANT ACCOUNTING POLICIES

#### LEASES

At the inception of a contract, the MRC assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and a lease liability, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the MRC uses its incremental borrowing rate.

#### LEASE LIABILITIES

The present value of future lease payments not paid at the reporting date discounted using the incremental borrowing rate where the implicit interest rate in the lease is not readily determined.

## 7. RESTORATION AND POST CLOSURE PROVISION

	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>Capping Provision</b>			
Opening balance at 1 July	5,892,803	5,689,411	10,613,978
Additions	237,079	203,392	237,079
<b>Closing balance at 30 June</b>	<b>6,129,882</b>	<b>5,892,803</b>	<b>10,851,057</b>
<b>Post Closure Provision</b>			
Opening balance at 1 July	12,705,765	12,118,013	12,655,731
Additions	531,756	587,752	359,000
<b>Closing balance at 30 June</b>	<b>13,237,521</b>	<b>12,705,765</b>	<b>13,014,731</b>
<b>TOTAL</b>	<b>19,367,403</b>	<b>18,598,568</b>	<b>23,865,788</b>



## 8. CASH BACKED RESERVES

	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>Restricted by council</b>			
<b>Reserves - Site Rehabilitation</b>			
Opening balance at 1 July	17,056,651	16,242,161	16,242,161
Interest earnings	654,480	-	-
Transfer to reserves	768,835	814,490	596,079
Transfer from reserves	-	-	(6,987,000)
<b>Closing balance at 30 June</b>	<b>18,479,966</b>	<b>17,056,651</b>	<b>9,851,240</b>
<b>Reserves - Capital Expenditure</b>			
Opening balance at 1 July	1,830,791	2,033,853	1,053,674
Interest earnings	80,968	-	-
Transfer to reserves	1,725,000	-	-
Transfer from reserves	(1,215,000)	(203,062)	(353,062)
<b>Closing balance at 30 June</b>	<b>2,421,759</b>	<b>1,830,791</b>	<b>700,612</b>
<b>Reserves - Carbon Abatement</b>			
Opening balance at 1 July	491,076	491,076	491,076
Interest earnings	20,000	-	-
Transfer to reserves	-	-	-
Transfer from reserves	-	-	-
<b>Closing balance at 30 June</b>	<b>511,076</b>	<b>491,076</b>	<b>491,076</b>
<b>TOTAL RESERVES</b>			
Opening balance at 1 July	19,378,518	18,767,090	17,786,911
Interest earnings	755,448	-	-
Transfer to reserves	2,493,835	814,490	596,079
Transfer from reserves	(1,215,000)	(203,062)	(7,340,062)
<b>CLOSING BALANCE AT 30 JUNE</b>	<b>21,412,801</b>	<b>19,378,518</b>	<b>11,042,928</b>

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed. In accordance with Council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

### Reserves - Site Rehabilitation

The purpose of this reserve is to be used to fund the rehabilitation following the closure of the landfill.

### Reserves - Capital Expenditure

The purpose of this reserve is to be used to fund the ongoing capital expenditure requirements.

### Reserves - Carbon Abatement

The purpose of this reserve is to be used to fund Carbon Abatement Projects.

## 9. REVENUE RECOGNITION. SIGNIFICANT ACCOUNTING POLICIES

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties
Waste management entry fees	Waste disposal, treatment, and recycling services	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None
Power gas fees	Power generation from Landfill Biogas	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None
Member contributions	Waste service delivery	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	Refund in event monies are unspent
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent
Fees and charges for other goods and services	Private works	Single point in time	Payment in full in advance	None

Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Adopted by council annually	Applied fully based on timing of service delivery	Based on share capital contribution	Output method based on provision of service or completion of works
Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works



## 10(a) KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the MRC's Community Vision, and for each of its broad activities/programs.

### OBJECTIVE

#### **Community amenities**

To deliver sustainable waste management options for member councils

### ACTIVITIES

The orderly and efficient treatment and/or disposal of waste delivered to a building or place provided, managed or controlled for those purposes by the Mindarie Regional Council.

The MRC is currently operating a Class 2 Sanitary Landfill Site in accordance with a licence issued by the Department of Water and Environmental Regulation. Recycling of various items occurs at the recycling centre where a small handling fee is charged for the goods that the public wishes to purchase.

The MRC's services include:

- Landfill operations at Tamala Park;
- Resource Recovery Facility at Neerabup;
- Transfer station;
- Refuse and Recycling; and
- Household hazardous waste disposal
- Costs associated with the financing, administration, operation, and maintenance of the Tamala Park Waste Disposal Facility and Resource Recovery Facilities.

#### **Governance**

To provide a high level account of how the MRC applies good practices for making and implementing decisions for the efficient allocation of members resources.

Costs associated with elected members and corporate support services including administration and operation of activities and services to members.

## 10(b). PROGRAM INFORMATION

	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>Revenue from Ordinary Activities</b>			
Community Amenities	32,927,723	33,649,965	31,775,291
General Purpose Funding	1,659,800	1,298,540	212,000
Governance	4,656,518	4,219,742	4,219,742
	39,244,041	39,168,247	36,207,033
<b>Expenses from Ordinary Activities</b>			
Governance	(5,559,935)	(4,070,795)	(3,914,393)
Community amenities	(31,604,776)	(32,653,949)	(32,805,058)
	(37,164,711)	(36,724,744)	(36,719,451)
<b>Profit on Sale of Assets</b>			
Community Amenities	1,000	-	-
	1,000	-	-
<b>Loss on Sale of Assets</b>			
Governance	(384)	-	-
Community Amenities	(350,372)	-	-
	(350,756)	-	-
<b>Finance Costs - ROUA</b>			
Governance	(328,288)	(328,288)	(327,828)
	(328,288)	(328,288)	(327,828)
<b>Non-operating grants</b>			
Community amenities	50,000	-	-
	50,000	-	-
<b>Net result for the period</b>	<b>1,451,286</b>	<b>2,115,215</b>	<b>(840,246)</b>

## 11. OTHER INFORMATION

	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>(a) Interest earnings</b>			
-Reserve funds	755,448	-	-
-Muni funds	904,352	1,298,540	212,000
	<b>1,659,800</b>	<b>1,298,540</b>	<b>212,000</b>
<b>(b) Other revenue</b>			
Fuel rebates	95,000	124,267	111,016
Gas power income	800,000	798,695	750,000
<b>(c) Auditors remuneration</b>			
Audit services	105,200	105,109	80,000
Audit services regulation 5 & 17 Audit	30,000		
<b>(d) Interest expenses (finance costs)</b>			
Interest Charge Leases	328,288	328,288	327,828
Capping Accretion Expenses	237,079	203,392	237,079
Post Closure Accretion Expense	531,756	587,752	359,000
	<b>1,097,123</b>	<b>1,119,432</b>	<b>923,907</b>

### (e) Discounts, Incentives and Concessions

A discount on casual tipping fees may be granted to charitable or not for profit organisations up to \$500 per organisation in any one financial year. The budgeted expenditure for discount on casual tipping fees for 2023/24 is \$5,000. MRC considers support of these groups as aligning to its strategy of winning back waste.

### (f) Financial Reporting and Materiality

In accordance with Regulation 34(5) of the Local Government (Financial Management) Regulations 1996, for the purpose of the materiality used in the financial statements in 2023/24, the level to be used for reporting variances shall be \$50,000.



## 12. FEES AND CHARGES

By Program:	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>Community amenities:</b>			
Member charges	26,576,657	25,126,665	25,367,925
Casual fees and charges	5,401,066	7,505,348	5,400,965
Mattress fees	55,000	94,990	145,385
<b>Total fees and charges</b>	<b>32,032,723</b>	<b>32,727,003</b>	<b>30,914,275</b>



### 13. TONNAGES

	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>MEMBER COUNCIL TONNES</b>			
<b>Processable waste</b>			
City of Perth	12,482	11,950	13,500
City of Wanneroo	55,000	51,000	44,000
City of Joondalup	33,000	32,120	33,080
City of Stirling	45,000	44,000	51,500
Town of Cambridge	5,200	6,000	6,000
City of Vincent	4,500	4,500	6,000
Town of Victoria Park	8,400	9,768	12,000
	163,582	159,338	166,080
<b>Non-processable waste</b>			
City of Perth	-	-	-
City of Wanneroo	3,000	3,000	3,500
City of Joondalup	600	590	600
City of Stirling	7,808	8,700	3,500
Town of Cambridge	16	20	25
City of Vincent	1,000	900	1,250
Town of Victoria Park	-	-	-
	12,424	13,210	8,875
<b>Total Member Council Tonnes</b>	<b>176,006</b>	<b>172,548</b>	<b>174,955</b>
<b>NON - MEMBER COUNCIL TONNES</b>			
Casuals	31,400	47,050	31,400
	31,400	47,050	31,400
<b>TOTAL TONNES</b>	<b>207,406</b>	<b>219,598</b>	<b>206,355</b>

#### 14. ELECTED MEMBERS REMUNERATION

The following allowances are payable to members of Council.

	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>Cr Karen Vernon</b>			
Chairperson's Meeting Fees	16,500	16,185	15,450
Chairperson's Allowance	20,900	20,565	19,570
Allowances (Travel, Telecom, IT)	1,192	1,275	1,250
Conference Expenses	6,517	6,517	6,517
Council Meeting Expenses	83	-	333
	<b>45,192</b>	<b>44,542</b>	<b>43,120</b>
<b>Cr Albert Jacob</b>			
Deputy Chair's Meeting Fees	11,000	10,824	10,300
Deputy Chair's Allowance	5,800	5,015	4,893
Allowances (Travel, Telecom, IT)	1,192	1,275	1,250
Conference Expenses	6,517	6,517	6,517
Council Meeting Expenses	83	-	333
	<b>24,592</b>	<b>23,631</b>	<b>23,293</b>
<b>Cr Christopher May</b>			
Meeting Fees	11,000	10,824	10,300
Allowances (Travel, Telecom, IT)	1,192	1,275	1,250
Conference Expenses	6,517	6,517	6,517
Council Meeting Expenses	83	-	333
	<b>18,792</b>	<b>18,616</b>	<b>18,400</b>
<b>Cr Liam Gobbert</b>			
Meeting Fees	11,000	10,824	10,300
Allowances (Travel, Telecom, IT)	1,192	1,275	1,250
Conference Expenses	6,517	6,517	6,517
Council Meeting Expenses	83	-	333
	<b>18,792</b>	<b>18,616</b>	<b>18,400</b>
<b>Cr Chris Hatton</b>			
Meeting Fees	11,000	10,824	10,300
Allowances (Travel, Telecom, IT)	1,192	1,275	1,250
Conference Expenses	6,517	6,517	6,517
Council Meeting Expenses	83	-	333
	<b>18,792</b>	<b>18,616</b>	<b>18,400</b>
<b>Cr Lisa Thornton</b>			
Meeting Fees	11,000	10,824	10,300
Allowances (Travel, Telecom, IT)	1,192	1,275	1,250
Conference Expenses	6,517	6,517	6,517
Council Meeting Expenses	83	-	333
	<b>18,792</b>	<b>18,616</b>	<b>18,400</b>

	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>Cr Elizabeth Re</b>			
Meeting Fees	11,000	10,824	10,300
Allowances (Travel, Telecom, IT)	1,192	1,275	1,250
Conference Expenses	6,517	6,517	6,517
Council Meeting Expenses	83	-	333
	<b>18,792</b>	<b>18,616</b>	<b>18,400</b>
<b>Cr Alex Castle</b>			
Meeting Fees	11,000	10,824	10,300
Allowances (Travel, Telecom, IT)	1,192	1,275	1,250
Conference Expenses	6,517	6,517	6,517
Council Meeting Expenses	83	-	333
	<b>18,792</b>	<b>18,616</b>	<b>18,400</b>
<b>Cr Paul Miles</b>			
Meeting Fees	11,000	10,824	10,300
Allowances (Travel, Telecom, IT)	1,192	1,275	1,250
Conference Expenses	6,517	6,517	6,517
Council Meeting Expenses	83	-	333
	<b>18,792</b>	<b>18,616</b>	<b>18,400</b>
<b>Cr Keri Shannon</b>			
Meeting Fees	11,000	10,824	10,300
Allowances (Travel, Telecom, IT)	1,192	1,275	1,250
Conference Expenses	6,517	6,517	6,517
Council Meeting Expenses	83	-	333
	<b>18,792</b>	<b>18,616</b>	<b>18,400</b>
<b>Cr Frank Cvitan JP</b>			
Meeting Fees	11,000	10,824	10,300
Allowances (Travel, Telecom, IT)	1,192	1,275	1,250
Conference Expenses	6,517	6,517	6,517
Council Meeting Expenses	83	-	333
	<b>18,792</b>	<b>18,616</b>	<b>18,400</b>
<b>Cr Joe Ferrante</b>			
Meeting Fees	11,000	10,824	10,300
Allowances (Travel, Telecom, IT)	1,192	1,275	1,250
Conference Expenses	6,517	6,517	6,517
Council Meeting Expenses	83	-	333
	<b>18,792</b>	<b>18,616</b>	<b>18,400</b>
	<b>257,700</b>	<b>254,329</b>	<b>250,413</b>
<b>SUMMARY</b>			
Chairperson's Meeting Fees	16,500	16,185	15,450
Member's Meeting Fees	121,000	119,064	113,300
Chairperson's Allowance	20,900	20,565	19,570
Deputy Chair's Allowance	5,800	5,015	4,893
Member's Allowances (Travel, Telecom, IT)	14,300	15,300	15,000
Member's Conference Expenses	78,200	78,200	78,200
Council Meeting Expenses	1,000	-	4,000
	<b>257,700</b>	<b>254,329</b>	<b>250,413</b>

OPERATING BUDGET BY DEPARTMENT	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>GENERAL PURPOSE FUNDING</b>			
Fees and charges	32,032,723	32,727,003	30,914,275
Grants, subsidies and contributions	4,656,518	4,219,742	4,219,742
Interest earnings	1,659,800	1,298,540	212,000
Other income	895,000	922,962	861,016
<b>TOTAL REVENUE</b>	<b>39,244,041</b>	<b>39,168,247</b>	<b>36,207,033</b>
<b>CEO</b>			
Employee costs	(655,057)	(611,624)	(576,524)
Materials and contracts	(495,375)	(508,455)	(477,020)
Insurance	(98,000)	(95,808)	(93,825)
Depreciation	(116,047)	(105,094)	(142,330)
Other expenses	(8,384)	(8,000)	(8,000)
<b>TOTAL EXPENDITURE</b>	<b>(1,372,863)</b>	<b>(1,328,981)</b>	<b>(1,297,699)</b>
<b>FINANCE AND BUSINESS SERVICES</b>			
Employee costs	(1,141,757)	(781,123)	(747,855)
Materials and contracts	(655,878)	(549,418)	(350,050)
Insurance	(32,250)	(26,096)	(29,550)
Finance costs	(328,288)	(328,288)	(327,828)
Depreciation	(433,733)	(408,947)	(508,003)
Other expenses	(20,250)	(7,651)	(18,250)
<b>TOTAL EXPENDITURE</b>	<b>(2,612,156)</b>	<b>(2,101,523)</b>	<b>(1,981,536)</b>
<b>ADMINISTRATION SERVICES</b>			
Employee costs	(160,223)	(149,332)	(149,211)
Materials and contracts	(260,850)	(299,283)	(246,700)
Insurance	(34,000)	(34,000)	(34,000)
Utility charges	(208,250)	(195,410)	(218,250)
Depreciation	(38,807)	(36,225)	(64,412)
<b>TOTAL EXPENDITURE</b>	<b>(702,130)</b>	<b>(714,250)</b>	<b>(712,573)</b>
<b>PROJECTS</b>			
Employee costs	(438,758)	(362,833)	(214,141)
Materials and contracts	(505,000)	(260,238)	(185,000)
<b>TOTAL EXPENDITURE</b>	<b>(943,758)</b>	<b>(623,071)</b>	<b>(399,141)</b>
<b>RESOURCE RECOVERY FACILITY</b>			
Employee costs	(138,350)	(128,836)	(73,504)
Materials and contracts	(248,650)	(830,654)	(825,490)
Insurance	(328,250)	(720,837)	(1,262,650)
Utility charges	(510,000)	(630,808)	(520,000)
Depreciation	(4,609,994)	(3,450,213)	(4,040,959)
<b>TOTAL EXPENDITURE</b>	<b>(5,835,244)</b>	<b>(5,761,348)</b>	<b>(6,722,603)</b>
<b>ENVIRONMENTAL</b>			
Employee costs	(294,043)	(343,665)	(343,666)
Materials and contracts	(644,615)	(882,371)	(882,000)
Insurance	(12,650)	(10,550)	(10,550)
Depreciation	(160,904)	(134,740)	(94,948)
<b>TOTAL EXPENDITURE</b>	<b>(1,112,212)</b>	<b>(1,371,326)</b>	<b>(1,331,164)</b>

OPERATING BUDGET BY DEPARTMENT	2024 Budget (\$)	2023 Estimate (\$)	2023 Budget (\$)
<b>RECYCLING</b>			
<b>REVENUE</b>			
Non-operating grants	50,000	-	-
	50,000	-	-
<b>EXPENSES</b>			
Employee costs	(1,000)	-	(6,000)
Materials and contracts	(459,100)	(448,230)	(444,500)
Insurance	(20,750)	(18,350)	(18,350)
Depreciation	(91,725)	(88,131)	(223,838)
Other expenses	(35,000)	-	-
	(607,575)	(554,711)	(692,688)
<b>NET RESULT</b>	<b>(557,575)</b>	<b>(554,711)</b>	<b>(692,688)</b>
<b>WORKSHOP</b>			
Employee costs	(346,000)	(232,300)	(232,300)
Materials and contracts	(96,800)	(61,027)	(60,800)
Insurance	(14,950)	(12,750)	(12,750)
Utility charges	-	-	-
Depreciation	(19,376)	(17,344)	(84,007)
<b>TOTAL EXPENDITURE</b>	<b>(477,126)</b>	<b>(323,421)</b>	<b>(389,857)</b>
<b>TIPFACE</b>			
Employee costs	(815,413)	(770,100)	(710,100)
Materials and contracts	(14,651,150)	(15,234,435)	(14,471,060)
Insurance	(34,350)	(30,450)	(30,450)
Finance costs	(768,835)	(791,144)	(596,079)
Depreciation	(220,908)	(196,435)	(687,249)
Amortisation	(4,954,195)	(5,132,080)	(4,937,865)
Loss on asset disposals	(323,584)	-	-
<b>TOTAL EXPENDITURE</b>	<b>(21,768,435)</b>	<b>(22,154,644)</b>	<b>(21,432,803)</b>
<b>WEIGHBRIDGE</b>			
Employee costs	(198,891)	(199,005)	(199,005)
Materials and contracts	(145,500)	(80,962)	(73,000)
Insurance	(16,250)	(15,150)	(15,150)
Depreciation	(25,459)	(21,741)	(16,746)
<b>TOTAL EXPENDITURE</b>	<b>(386,100)</b>	<b>(316,858)</b>	<b>(303,901)</b>
<b>TRANSFER STATION</b>			
Employee costs	(1,347,188)	(1,210,638)	(1,191,430)
Materials and contracts	(185,900)	(155,566)	(159,100)
Insurance	(28,750)	(22,100)	(22,100)
Depreciation	(179,830)	(160,266)	(160,272)
Loss on asset disposals	(26,788)	-	-
<b>TOTAL EXPENDITURE</b>	<b>(1,768,456)</b>	<b>(1,548,570)</b>	<b>(1,532,902)</b>

# MEMBER CHARGES

## 15. FEES AND CHARGES

The following fees and charges are exclusive of goods and services tax (GST).

	2024 Budget Tonnes	2024 Budget Rate \$/t	2024 Budget Revenue \$	2023 Estimate Revenue \$	2023 Budget Revenue \$
City of Perth	12,482	151.00	1,884,782	1,740,175	1,957,458
City of Wanneroo	58,000	151.00	8,757,751	7,863,550	7,974,827
City of Joondalup	33,600	151.00	5,073,600	4,763,273	4,883,494
City of Stirling	52,808	151.00	7,974,008	7,674,243	6,887,351
Town of Cambridge	5,216	151.00	787,616	876,640	873,606
City of Vincent	5,500	151.00	830,500	786,355	1,051,227
Town of Victoria Park	8,400	151.00	1,268,400	1,422,429	1,739,962
<b>Total Member Fees &amp; Charges</b>	<b>176,006</b>	<b>151.00</b>	<b>26,576,657</b>	<b>25,126,665</b>	<b>25,367,925</b>

The subsequent pages detail the fees and charges proposed to be imposed by the local government to general public.



## FEES AND CHARGES SCHEDULE

The following fees and charges are inclusive of goods and services tax (GST).

NON - MEMBER COUNCIL CHARGES	2024 Budget	2023 Budget
<b>GENERAL ENTRY</b>		
1. Minimum entry to site (up to 100 kgs)	\$23.65	\$19.00
2. General waste – price per tonne	\$236.50	\$236.50
<b>SPECIFIED MATERIALS</b>		
3. Asbestos – per tonne	\$275.00	\$250.00
4. Mattresses – per item	\$33.00	\$33.00
5. Tyres – per tyre	\$25.00	\$25.00
6. Small animals – per animal	\$19.00	\$19.00
7. Large animals – per animal	\$38.00	\$38.00
8. Controlled waste – per tonne	\$240.00	\$240.00
9. Lightweight bulk material – per cubic metre	\$80.00	\$80.00
10. Special burials – per 5 cubic metres	\$265.00	\$240.00
11. Odorous loads – per tonne	\$265.00	\$240.00
12. Car gas cylinders/industrial gas cylinders – per item	\$65.00	\$65.00
13. Fluorescent tubes – commercial loads – per item	\$0.55	\$0.55
14. Clean green waste – per tonne	\$120.00	\$120.00
<b>PENALTY CHARGES</b>		
15. Replacement of Driver Control Station cards	\$60.00	\$60.00
16. Replacement of gate access remotes	\$160.00	\$160.00
17. Tipping with no payment (drive-aways)	\$100.00	\$110.00
18. Clean up charge (per half hour) plus any 3rd party costs	\$150.00	\$150.00
<b>WEIGHBRIDGE UNAVAILABILITY</b>		
19. Uncompacted waste – per axle	\$65.00	\$65.00
20. Compacted waste – per axle	\$110.00	\$110.00



## SCHEDULE 1. MODIFIED PENALTIES

Item Number.	Clause No.	Nature of offence	Modified Penalties \$
1	7(4)(a) and (b)	Enter the site or any part of the site that is closed; or drive a vehicle on a road, track or path that is closed.	100
2	8	Enter the site other than through an entrance without permission.	100
3	11(1) (a)	Park a vehicle, or cause or permit it to be parked, on the site without permission in a place, other than a parking area, that is off a carriageway.	100
4	11(1)(b)	Park a vehicle, or cause or permit it to be parked, on the site without permission on part of a carriageway, if the parking of vehicles on that part of the carriageway is prohibited by a traffic sign.	100
5	11(1)(c)	Park a vehicle, or cause or permit it to be parked, on the site without permission during a period when the person is not on the site, whether or not the vehicle is parked in a parking area.	100
6	11(1)(d)	Park a vehicle, or cause or permit it to be parked, on the site without permission in a place that is marked with parking bays, unless it is entirely within the confines of a parking bay.	100
7	11(1) (e)	Park a vehicle or vehicles in an area designated for a person or persons with a disability, unless the person or persons with a disability is the driver of, or a passenger in, the vehicle and a disability parking permit is displayed in a prominent position on the vehicle.	100
8	13(2)	Damage, destroy or take away flora without permission.	100
9	14(2)	Injure, take, or interfere with any fauna without permission.	100
10	15(d)	Damage, destroy or take cultural sensitive items	100
11	16(1)	Deposit litter other than in a litter receptacle.	100
12	16(d)	Environmental Contamination, discharge liquids/ rubbish to the environment that cause, or are known to cause contamination to the soil, water and/or air.	100
13	20(a)	Place any notice, advertisement or document on any structure, object or natural surface on the site without permission	100
14	20(b)	Paint, mark or deface any structure, object or natural surface on the site without permission.	100
15	21	Light a fire (minor impact, managed on site) or use a gas barbecue or other cooker without permission.	100
16	21	Light a fire – (significant impact e.g. call of DFES)	100
17	24(1)	Disturb or remove property from the site without permission.	100
18	27(1) (2)	Fail to comply with a sign or direction	100
19	27(1) (2)	Disposing waste without payment of fee or charge	100



**Mindarie Regional Council**

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